



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 8, 2006

Tony Christofferson
525 W Arrowhead Trail
PO Box 488
Spanish Fork, Utah 84639

Subject: Formal Approval of Notice of Intention to Commence Large Mining Operations and Form and Amount of Reclamation Surety, H.E. Davis Construction, Inc., Levan Chicken Creek Mine, M/023/016, Juab County, Utah

Dear Mr. Christofferson:

On November 18, 2005, the Division received the final copies of the notice to conduct large mining operations for the Levan Chicken Creek Mine. On January 21, 2003 the Division received the reclamation surety in the amount of \$226,100 in the form of a surety bond, # 103937974, issued by Traveler's Casualty and Surety Company of America. To finalize this bonding action, a corporate surety rider is required identifying the co-beneficiary and the Division received date of the proposed Mining and Reclamation plan. In addition, a map titled, "Disturbed Area Map of the Levan Chicken Creek (West Mine) M/023/016" needs to be identified in the surety rider. Details of the rider request were outlined in a Division letter to you dated January 26, 2006.

The Division now permits you to begin mining operations in the West Mine area as outlined in your large mining notice of intention, ***provided you have complied with all U.S. Forest Service requirements and submit the original and executed Corporate Surety Rider to the Division.*** We will forward a copy of the executed documents to the U.S. Forest Service for their records. The surety will be reviewed periodically to assure that the bond remains adequate.

Enclosed please find copies of the signed and executed Reclamation Contract and surety bond forms for your files. Also enclosed is a copy of the "approved" Notice of Intention to Commence Large Mining Operations for your files. Please note 'Not Approved' has been hand written on that on maps of the Chicken Creek East Mine. If in the future, you wish to modify your mining and reclamation plan, provide a redlined and strikeout version of the page(s) you wish to change and indicate how these are to be incorporated into the current approved plan using Form MR-REV-att, located at www.dogm.utah.gov.

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Tony Christofferson
March 8, 2006
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Thank you for your help and patience in finalizing this permitting action.
Please call me if you have any questions in this regard.

Sincerely,

A handwritten signature in black ink that reads "Susan M. White". The signature is written in a cursive style with a large, sweeping initial 'S'.

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:tn:pb

Enclosure reclamation contract copy, Corporate Surety copy, approved notice of intention copy

cc: Forest Service, Ephraim

Beth Ericksen, DOGM

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